

**NEWPORT BEACH PLANNING COMMISSION MINUTES
CITY COUNCIL CHAMBERS – 100 CIVIC CENTER DRIVE
THURSDAY, FEBRUARY 21, 2019
REGULAR MEETING – 6:30 P.M.**

I. CALL TO ORDER – The meeting was called to order at 6:30 p.m.

II. PLEDGE OF ALLEGIANCE

Vice Chair Weigand recognized the Newport Beach Police Department for solving the cold case of Linda O'Keefe and asked Commissioner Koetting to lead the pledge of allegiance.

Commissioner Koetting led the pledge of allegiance.

III. ROLL CALL

PRESENT: Vice Chair Erik Weigand, Secretary Lee Lowrey, Commissioner Curtis Ellmore, Commissioner Peter Koetting

ABSENT: Chair Peter Zak, Commissioner Lauren Kleiman, Commissioner Kory Kramer

Staff Present: Community Development Director Seimone Jurjis, Deputy Community Development Director Jim Campbell, Assistant City Attorney Yolanda Summerhill, City Traffic Engineer Tony Brine, Senior Planner Jaime Murillo, Program Manager Patrick Alford, Administrative Analyst Brittany Ramirez, Administrative Support Specialist Tiffany Lippman

IV. PUBLIC COMMENTS

None

V. REQUEST FOR CONTINUANCES

None

VI. CONSENT ITEMS

ITEM NO. 1 MINUTES OF JANUARY 31, 2019

Recommended Action: Approve and file

Motion made by Secretary Lowrey and seconded by Commissioner Koetting to approve the minutes of the January 31, 2019, meeting with the revisions suggested by Mr. Mosher.

AYES: Weigand, Lowrey, Koetting

NOES: None

ABSTAIN: Ellmore

ABSENT: Zak, Kleiman, Kramer

Motion Carried

VII. PUBLIC HEARING ITEMS

**ITEM NO. 2 NEWPORT CROSSINGS MIXED USE PROJECT (PA2017-107)
Site Location: 1701 Corinthian Way**

Summary:

Development of a mixed-use residential project consisting of 350 residential dwelling units, 7,500 square feet of commercial space, and a 0.5-acre public park. An existing commercial center called MacArthur Square that is located on the 5.7-acre project site would be demolished. Project implementation requires

the approval of a Site Development Review, Lot Line Adjustment, and an Affordable Housing Implementation Plan (AHIP). The AHIP illustrates compliance with affordable housing requirements of the Residential Overlay of the Newport Place Planned Community and density bonus allowances of the City Zoning Code and state law. A total of 78 units will be allocated for lower-income households. The AHIP includes a request for one development concession related to the bedroom mix of the affordable units and a development waiver of the 55-foot building height limit to allow a height of 77 feet 9 inches to accommodate the parapet, roof-top mechanical equipment, elevator shafts, emergency staircase, rooftop terrace, and a portion of the parking garage. A Draft Environmental Impact Report has been prepared for the project in accordance with the California Environmental Quality Act (CEQA).

Recommended Action:

1. Conduct a public hearing;
2. Adopt resolution No. PC2019-004 certifying Environmental Impact Report No. ER2017-001, making facts and findings, and approving a mitigation monitoring and reporting program for the Newport Crossing Mixed-Use Project (SCH No. 2017101067); and
3. Adopt Resolution No. PC2019-005 approving Site Development Review No. SD2017-004, Lot Line Adjustment No. LA2018-004, and Affordable Housing Implementation Plan No. AH2018-001, subject to conditions of approval.

Senior Planner Jaime Murillo reported the following:

- The project site is located in the Airport Area, which is bordered by the 73 Freeway, John Wayne Airport, and the City of Irvine. The Airport Area has historically been developed with office and industrial uses. The 2006 General Plan Update identified the Airport Area as a key housing opportunity area and proposed redevelopment of underutilized sites. To date, the Uptown Newport mixed-use project is the only residential redevelopment project approved in the Airport Area. The project site is also located within the Newport Place Planned Community District. This district was developed originally in the 1970s for office, industrial, and commercial uses.
- In 2012, the City updated the Newport Place Planned Community District to include a residential development overlay that provides zoning for projects with at least 30-percent affordable units and eliminates a minimum 10-acre site requirement. The site consists of 5.69 acres and is currently developed with approximately 58,000 square feet of retail and commercial uses. Eight single-story buildings comprise the site, which consists of three separate parcels. Uses surrounding the project site include a 10-story hotel, a single-story retail complex, a single-story car wash, a restaurant, and two-, three- and four-story office buildings.
- The project proposes to demolish the existing commercial center and construct a mixed-use development consisting of 350 residential rental units. 259 base units are allowed under the General Plan and Planned Community District. Because the project proposes 78 affordable units, the applicant is entitled to a density bonus of 91 units in addition to the General Plan development limit of 259 base units under the State Density Bonus Law and the City's Density Bonus Code. The project also includes 7,500 square feet of nonresidential uses comprised of 2,000 square feet of a fast-casual restaurant use and 5,500 square feet of general commercial or retail uses. As required under the General Plan, the project includes a half-acre public park.
- The project is a wrap-style development where the parking structure is located in the center of the development. The parking structure consists of six levels, one of which is located partially below grade, and 740 total parking spaces. The parking structure will be accessed from Scott Drive and Martingale Way. In wrapping around the parking structure, the residential units will screen the parking structure from view. The project includes a number of onsite amenities including a pool courtyard, lounge and entertainment courtyards, a rooftop deck, and view decks. The commercial component is oriented toward the intersection of Corinthian and Martingale Way, the most prominent corner of the project site, and visible from MacArthur Boulevard. The retail component will include a retail plaza fronting the commercial building. The public park will be located on an individual parcel at the southern portion of the project site. A separate parcel containing public parking will be accessible from Martingale Way.

- The residential buildings consist of four- and five-level facades. The massing of the building is broken up through the use of various vertical and horizontal architectural design elements with enhanced architectural treatment along the first and second stories to enhance the pedestrian-level aesthetic. The project was presented to the Planning Commission on December 6, 2019, at a study session. The Planning Commission provided a number of comments and generally supported the architectural design and the retail location, appreciated the 30-foot setbacks and the proposed landscaping, and favored the park design. The Planning Commission directed staff to ensure on-street parking along Martingale is available for park users. The Traffic Engineer committed to reviewing the availability of parking during and after construction to ensure parking along Martingale is adequate. The Planning Commission also directed staff to notice the Parks, Beaches and Recreation (PB&R) Commission's February 5 meeting for the project, and staff mailed notices to all property owners located within a 300-foot radius of the project site. In response to a Commissioner's comment, the applicant has proposed a 42-inch fence with a vine treatment as a barrier between the park and the southern parking lot. The applicant proposes a dog park, a bocce ball court, a pickleball court, a play lawn, a playground, a fitness terrace, a dining terrace, and a number of seating walls in the park. Four parking spaces are located on a separate parcel, which will be owned by the developer. The developer will grant the City an easement to the parcel for parking and emergency access. The emergency access area is designed as a flex space and an extension of the park when not in use for emergency access.
- Park users may utilize additional on-street parking along Martingale Way. The park includes a clear pedestrian path between Dove Street and Martingale Way. The PB&R Commission voted 6-1 to support the design of the project and favored the park's amenities. However, the PB&R Commission wished to ensure the park provides adequate access to restrooms. Because the park is intended to be a neighborhood park, the applicant has not proposed any onsite restrooms. The applicant committed to ensuring the retail leases allow park users to utilize restrooms within retail areas during regular business hours. Condition of Approval Number 14 states the restrooms shall be available between the hours of 8:00 a.m. and 9:00 p.m. In response to another concern expressed by the PB&R Commission, staff added Condition of Approval Number 13 to require onsite signage notifying the public that the area is a public park and restricted to park users and that restrooms are available in retail businesses.
- To implement the project, Site Development Review, a Lot Line Adjustment, and an Affordable Housing Implementation Plan (AHIP) are required.
- Site Development Review will ensure the mixed-use building meets the development standards of the Newport Place Planned Community District and Zoning Code. Key development standards are a density of 30-50 dwelling units per acre, 30-percent of dwelling units designated as affordable for low-income residents, minimum 30-foot setback from streets and 10-foot setback from interior property lines, a high level of amenities and neighborhood integration, and a 55-foot base height requirement.
- A Lot Line Adjustment will reconfigure the three underlying parcels.
- The AHIP will ensure the project meets the affordable housing requirements of the Newport Place Planned Community District. The applicant proposes allocating 30 percent of base units or 78 dwelling units to low-income housing. Affordable housing units will be designated as low-income housing for at least 30 years with a majority of units restricted for 55 years. In exchange for providing affordable units, the project is entitled to a density bonus of 91 units and a reduced residential parking requirement. The reduced parking requirement is 474 parking spaces; however, the applicant proposes 661 parking spaces for the residential component. The applicant is entitled to incentives and has requested one incentive for a higher allocation of studio and one-bedroom units in order to reduce the long-term subsidy cost and to ensure the financial feasibility of the project. The applicant is entitled to a development waiver for construction of the density bonus units. The applicant requests a waiver of the 55-foot height requirement for elevators, the roof deck, the upper level of the parking structure, a stair tower, and a number of air conditioning units, which represent a small portion of the overall building mass.
- Prior to taking action on the application, the Planning Commission will have to certify the Environmental Impact Report (EIR). PlaceWorks assisted the City with preparation of the EIR. The Draft EIR was released in November 2018 with a public comment period ending in January 2019. The Draft EIR analyzed a majority of the topic areas under the California Environmental Quality Act (CEQA). Areas

found to have potential significant impacts are air quality, biological resources, cultural resources, hazards and hazardous materials, public services, and tribal cultural resources. With the adoption of mitigation measures, the potential significant impacts can be reduced to less than significant. Staff received 14 comment letters, and the consultant provided detailed responses to each of the letters. Comments and responses are available online for public review. In response to comments, the consultant corrected, clarified, and revised the Draft EIR. Subsequent to preparation of the staff report and the responses to comments, staff received two follow-up comment letters, one from the Department of Toxic Substances Control and one from Andrew Salas of the Gabrieleño Band of Mission Indians. In response to the letters, staff has distributed a revised mitigation monitoring reporting program and facts in support of the findings. These revisions do not raise any new significant issues, identify any new significant impacts, or intensify the level of significant impacts that would require a recirculation of the Draft EIR. Fact 3 of Finding B should state 259 base units rather than 250 base units.

Commissioner Koetting disclosed a meeting with the applicant in December to review the presentation. Commissioner Ellmore disclosed a meeting with the applicant approximately two weeks prior to the hearing to review the presentation. Secretary Lowrey disclosed a telephone call with the applicant and a consultant in November or December. Vice Chair Weigand disclosed a meeting with the applicant a while ago, a conversation with a representative from Still Protecting Our Newport (SPON), and a conversation with a neighboring business owner.

In response to Commissioner Koetting's question, Senior Planner Murillo advised that the EIR identified the need for a new ambulance and staff for fire safety and emergency response because of demand associated with new development in the Airport Area. The mitigation measure includes a requirement for the applicant to pay their fair share of the cost of an ambulance and participate in a funding program for staffing.

In reply to Secretary Lowrey's queries, Senior Planner Murillo indicated the project is located within the Santa Ana Unified School District. The financial impact to the City is determined by a wide variety of costs. In general, the cost for public services for a residential use is higher than a commercial use because commercial uses typically generate more revenue for the City because of sales taxes.

In answer to Commissioner Ellmore's inquiry, Senior Planner Murillo could not provide the number of parking stalls along Martingale Way because individual stalls are not marked. On-street parking is heavily utilized by workers in the area; therefore, the City can modify on-street parking restrictions so that spaces are available for park users if there is an issue.

In response to Commissioner Koetting's query, Senior Planner Murillo stated the developer will pay school fees to the Santa Ana Unified School District.

Patrick Strader, applicant representative, reported the 2016 project for the site is not the same as the current project. The applicant charged the project team with ensuring the project complies with the General Plan, conducting outreach, and over-studying the project. Public correspondence has expressed appreciation for outreach and/or support for the project. The proposed project is the result of collaboration among the project team, neighboring businesses and property owners, and community groups. The project did not require a full EIR; however, the applicant chose to utilize an EIR. The EIR is clear, convincing, and sufficient to justify all the findings for approval of the project. The project provides plenty of amenities for residents, many of whom will likely walk to work. The project is unique in that it will provide a small grocery store and a fast-casual restaurant. The area is a mix of eclectic developments. The project architect was tasked with designing a timeless building that fits within the context of the neighborhood. The building is not monolithic but has a pedestrian scale, many step-backs, and roofline variations. At the PB&R Commission meeting, Commissioner Englebrecht, as the lone dissenting vote, felt some of the park amenities should be removed to provide more open space and passive park space. The park plan resulted from a collaboration with staff and stakeholder groups. The park plan provides something for everybody. The PB&R Commission held a long discussion regarding park users' access to restrooms. PB&R Commissioners agreed that adding bathrooms to the park will increase the impact on open space and be difficult to balance. The applicant preferred Condition of Approval Number 14 state the restrooms will be available during regular business hours. The project includes affordable housing, mixed-use space, and a public park. The number of project supporters is significant. Santa Ana Unified School District is considering placing a charter school in the Airport Area. Mr. Strader requested time to rebut public comments if necessary.

In response to Vice Chair Weigand's inquiry, Mr. Strader advised that the applicant agreed to the EIR comments and mitigation measures contained in the revised staff report.

In reply to Commissioner Koetting's inquiries, R.C. Alley, project architect, indicated the mauve colors shown in the artist's renderings are not part of the color palette for the project. The plaster has a 20/30 fine sand finish. Mr. Strader added that the Commission's packet contains the correct drawings for the park. Senior Planner Murillo explained that the park will be privately managed, but the details of a management agreement have not been determined. Commissioner Koetting remarked that the management agreement should include a process to reserve pickleball courts.

In answer to Commissioner Ellmore's questions, Mr. Strader clarified that park users can access bathrooms in retail spaces through public rights-of-way. The retail center will be clearly marked and easily visible. Because access to the pool is controlled, park users cannot travel through the middle of the project to reach restrooms. Senior Planner Murillo noted Condition of Approval Number 13 requires the applicant to prepare a signage plan.

In response to Vice Chair Weigand's queries, Deputy Community Development Director Campbell reported this public park will be the first to provide pickleball and be managed by a private entity. The Uptown Newport project has a park with a restroom. The conditions of approval do not specify park hours. Staff felt the applicant's proposal for restrooms to be available during regular business hours was vague; therefore, staff proposed restroom hours of 8:00 a.m. to 9:00 p.m. based on the general availability of restrooms located in other public spaces and parks. Vice Chair Weigand expressed concern that park users may impact residents during the late evening hours especially if the pickleball courts are lighted. The Planning Commission should determine a responsible plan for park hours in order to ensure residents' safety. Deputy Community Development Director Campbell suggested staff and the developer can include restrictions regarding park hours, restroom hours, and park lighting in the management agreement. The park obviously needs nighttime security lighting.

In reply to Secretary Lowrey's inquiries, Mr. Strader advised that retail opportunities could be a full-service deli similar to the one located at the Plaza Irvine and a quick-service restaurant. The noise contour lines determine whether additional mitigations for airport noise are necessary. The project falls outside the 65-decibel noise line; therefore, the project does not require additional mitigation measures. As airplane engine technology and noise mitigations improve, noise lines will move closer to the airport. The Federal Aviation Administration (FAA) has issued a letter stating the project poses no hazard to air navigation. Senior Planner Murillo indicated Condition of Approval Number 30 requires the applicant to hire an acoustical engineer to prepare an acoustical analysis report, which will describe any needed acoustical design features of the structure to satisfy the exterior and interior noise standards. The project will have to be attenuated to comply with the report.

Vice Chair Weigand opened the public hearing.

Rick Roshan, Newport Beach resident and owner of an office building located on Martingale Way, expressed a concern about parking. The project proposes 661 parking spaces for 550 residential units, which falls well below the requirement of 2.5 parking spaces per unit for projects containing four or more units. The parking structure could extend an additional level or two below grade in order to provide adequate parking. Residents will utilize parking lots for nearby businesses because only a few on-street spaces are located on Martingale Way. He urged the Planning Commission to oppose the project until the applicant proposes adequate parking for the project.

In response to Vice Chair Weigand's request, Senior Planner Murillo clarified the number of residential units as 350. The Zoning Code requires a minimum of 2.5 parking spaces per residential unit, which would be 875 spaces for 350 units. Under the Density Bonus Law, the City can require only one space per studio and one-bedroom unit and no more than two spaces per two-bedroom and three-bedroom unit, which is a total of 464 parking spaces for the project. The applicant proposes 661 parking spaces.

Dennis Baker, SPON Treasurer and Line in the Sand President, clarified that Line in the Sand did not submit public comment to the City. SPON does not endorse development projects. The Koll project proposes 270 luxury condominiums on approximately 10 acres of land. By definition, luxury condominiums are not affordable. The Newport Crossings project proposes 350 apartments, 70 of which will be designated as affordable units, on 5.6 acres of land. The project provides the type of housing needed in the City. A small group of SPON met with the applicant to discuss the project and offer revisions. The applicant's engagement with the community could serve as a model for future projects. The applicant advised SPON that the City is requiring a pickleball court in the park.

Jim Mosher remarked that the project will remove consumer amenities from an area targeted for population growth. The Kennedy Commission has applauded the project for providing affordable housing. The number of affordable housing units proposed for the project is the minimum number of affordable units required for the location. The units may not be affordable for a family with an income of \$20,000. One PB&R Commissioner applauded the project, thinking it is the first project in Newport Beach to develop and dedicate a park to the City. PB&R Commissioner Englebrecht opposed the park plan because the park will be overcrowded. The park may not implement the General Plan's vision for a public park in that it will not be recognized as a park open to the public. Comments to the EIR referred to the project's lack of bicycle lanes and mitigation for site contamination. The EIR correction regarding Century High School's capacity is not correct.

Rich Gomez, Southwest Regional Council of Carpenters, commented that the EIR does not provide sufficient support for conclusions that the project will have less than significant impacts in a number of areas and fails to provide adequate mitigation. The City failed to include a sufficiently detailed project list, which makes it difficult to assess the project's contribution to cumulative impacts. The City did not adequately disclose and evaluate cumulative air quality impacts. The City's analysis of greenhouse gas emissions relies on inapplicable plans, and the City did not analyze the City's current per capita greenhouse gas emissions and whether the City is on track to meet greenhouse gas emission goals. The City did not examine project growth within the city limits or provide any other quantitative benchmark to determine whether the project in conjunction with other development would significantly impact greenhouse gas emissions. Consequently, the City fails to provide adequate mitigation for greenhouse gas emissions. Mitigation measures for potential impacts to biological resources are not enforceable and do not ensure the measures will be implemented. Mitigation measures for potential impacts to cultural resources are not sufficiently specified, are not enforceable, and do not ensure mitigations will be implemented. The City does not adequately mitigate project impacts to Native American archaeological finds. Allowing an unqualified volunteer to monitor grading and excavation does not ensure the resources will be properly identified or protected. The City does not provide adequate information to demonstrate the project's compliance with applicable land use policies. The City does not adequately analyze how the project in conjunction with other development will impact land use. Because the City does not provide a sufficient analysis or incorrectly finds project air quality, greenhouse gas emissions, and land use impacts to be less than significant, it does not adequately assess whether project alternatives would avoid or substantially lessen significant project effects. He asked the Planning Commission to deny the project based upon these deficiencies. If the Planning Commission approves the project, the Southwest Regional Council of Carpenters plans to challenge the approval.

Mr. Strader appreciated Senior Planner Murillo's response to Mr. Roshan's concerns about parking. The State Density Bonus Law supersedes local zoning requirements. The project's number of parking spaces exceeds the number of spaces required under the Density Bonus Law. Some Commissioners have requested staff investigate parking controls. A denial of the project based on parking would be inappropriate. At the PB&R Commission's meeting, staff defended the inclusion of a pickleball court in the project. The applicant will provide a pickleball court if the Planning Commission wishes. Many of the retail operations located in the center were not competitive or sustainable with new retail. Reducing the 58,000 square feet of retail to 7,500 square feet is appropriate. The park complies with the General Plan requirement of having roads on two sides of the park. Responses to Mr. Gomez's comments are contained in the Final EIR. The evidence is clear that there are no deficiencies in the environmental record. Certification of the EIR is both appropriate and supported by evidence. He urged the Planning Commission to approve the project and certify the EIR.

Vice Chair Weigand closed the public hearing.

Senior Planner Murillo noted Sheet L.1, an overview of the overall site, includes the correct park plan. The tot lot was omitted from the plan shown on Sheet L.3.

Community Development Director Jurjis advised that the City's EIR consultant is present to answer questions.

At Vice Chair Weigand's request, JoAnn Hadfield of PlaceWorks, the DEIR preparer, addressed comments made by the Southwest Regional Council of Carpenters. The Council of Carpenters' comments were taken from its letter to the City. Responses contained in the Final EIR address comprehensively those comments. A comprehensive analysis of the cumulative impacts of projects was conducted in the EIR. The analysis looked at traffic impacts both within and outside the City. The City's consultant for the traffic study consulted with the City of Irvine for related projects in accordance with CEQA requirements. Each topic was addressed in accordance with CEQA

requirements and was analyzed using an acceptable methodology for cumulative projects. The project falls below the bright line threshold of less than 3,000 metric tons equivalent carbon dioxide, which makes greenhouse gas emissions and air quality not cumulative issues. If the project is not a cumulative project, by definition it does not combine with other projects to result in cumulatively considerable impacts. With respect to enforceability of mitigation measures, the mitigation monitoring plan and the mitigation measures themselves detail enforcement. Mitigations for cultural tribal resources are detailed in the follow-up consultation between Senior Planner Murillo and the tribe.

Vice Chair Weigand noted the Southwest Regional Council of Carpenters stated it would appeal an approval of the project to the City Council. An appeal might be a bit harsh as the Planning Commission has held a study session for the project.

Ms. Hadfield remarked that the Southwest Regional Council of Carpenters' letter did not present specific allegations. Most comments pertained to cumulative issues and the need to review each related project, but CEQA does not require that. The consultant looked for boundaries within service boundaries, General Plan projections, and related projects. Chapter 5 outlines the approach taken for each topical section. Per CEQA, the analysis includes review of a list of related projects or review of projections from an adopted plan. Each topic states the approach taken and that the analysis is consistent. Mr. Mosher is correct in that the remaining capacity for Century High School should be 73 students. The Santa Ana Unified School District's letter provided updated information but did not oppose the analysis.

Commissioner Koetting felt the project was well designed overall. The applicant listened to the Planning Commission's and neighbors' comments. A retail component of 7,500 square feet will be sufficient for the area and will help residents. He assumed the applicant will want some service uses in the mix of retail uses. He did not believe the retail component will draw people from around the community. Other retail amenities are located in the area. The park amenity is excellent. In reply to Commissioner Koetting's question, Senior Planner Murillo indicated two pickleball courts are proposed in the park. Commissioner Koetting had requested the fence between the park and the parking lot. The project brings a good number of affordable units to the community. The applicant provided as many affordable units as possible while maintaining the feasibility of the project. The wrap design will hide the parking structure from view and will be more convenient for tenants to access parking from their units. The project provides excess parking spaces. He could make the findings to approve the project.

Commissioner Ellmore indicated the applicant was thoughtful in its approach to the project and in working with the community. The applicant put a lot of thought into the design of the project and park. The retail square footage is sufficient for the site. Because of the two dog parks, the park may be a destination location; therefore, access to restrooms is important. Wayfinding signage for restrooms will help the viability of the park. Defining the hours of the park and lighting within the park is important. He could support the project.

Secretary Lowrey concurred with prior comments regarding the project. It is very nice and well designed. The need for residential units is top news, and Newport Beach is addressing that need with this project. He supported the project. He proposed amending Condition of Approval Number 14 to require public access to restrooms during regular business hours rather than between the hours of 8:00 a.m. and 9:00 p.m.

Vice Chair Weigand reminded Commissioners to include staff's proposed revisions regarding the mitigation monitoring report program and findings of fact in a motion. The project will provide a significant number of residential units in the Airport Area. The General Plan envisions growth in the Airport Area. The City is taking a step forward to provide affordable housing. The applicant has spent a significant amount of time conducting outreach and working with stakeholders. He could support the project. He concurred with amending Condition of Approval Number 14. The park should close no later than 8:00 p.m. Having access to restrooms during regular business hours is fair. He did not support lighting for the pickleball courts. He did not feel pickleball courts were a necessity; however, the PB&R Commission apparently felt they were essential. The Planning Commission may have the ability to remove the pickleball courts from the park plan. Noise from the pickleball courts could negatively impact the applicant's ability to lease space in the project. The City has no prior experience with an applicant managing a park, and the Planning Commission should proceed cautiously.

Vice Chair Weigand reopened the public hearing for limited comment from the applicant representative.

Mr. Strader reiterated that the Planning Commission will ultimately determine whether the park contains pickleball courts. The applicant and the project ownership team have no opinion as to whether the park should or should not provide pickleball courts. The applicant will carry out the Planning Commission's policy directive.

Vice Chair Weigand closed the public hearing.

In reply to Vice Chair Weigand's inquiries, Community Development Director Jurjis explained that the Recreation and Senior Services Director recommended the PB&R Commission recommend the Planning Commission include pickleball courts in the park because the demand for pickleball courts is increasing. They do generate noise. The Planning Commission can accept the PB&R Commission's recommendation and provide flexibility for the applicant/management company to convert the pickleball courts to tennis courts or other uses in the event the pickleball courts become problematic. Senior Planner Murillo advised that the PB&R Commission discussed pickleball courts and whether the park had sufficient space for regulation courts. Public comment at the meeting also supported pickleball. Community demand for dog parks and pickleball courts is high, but providing the uses within existing City parks is difficult. The PB&R Commission viewed this project as an opportunity to provide the two amenities. Staff can include language in the use agreement between the City and the developer that if the pickleball courts become problems, the City and developer can discuss replacing the pickleball courts with a different use.

In reply to Commissioner Koetting's queries, Deputy Community Development Director Campbell advised that closing times for parks vary. Condition of Approval Number 14 refers to the hours during which restrooms will be available. Staff did not propose a condition of approval pertaining to park hours. Park hours can be included in the management agreement required by Condition of Approval Number 12.

Commissioner Koetting preferred staff reach an agreement with the developer regarding park hours. Parks do not have fences and gates to prevent the public from accessing parks. Vice Chair Weigand indicated the City can install signage regarding park hours, and the City has some ordinances that limit use of parks. Violation of park hours can be enforced. The park is extremely close to residences, and park use could become a nuisance for residents.

Motion made by Commissioner Koetting and seconded by Secretary Lowrey to adopt resolution No. PC2019-004 certifying Environmental Impact Report No. ER2017-001, making facts and findings, and approving a mitigation monitoring and reporting program for the Newport Crossing Mixed-Use Project (SCH No. 2017101067); and adopt Resolution No. PC2019-005 approving Site Development Review No. SD2017-004, Lot Line Adjustment No. LA2018-004, and Affordable Housing Implementation Plan No. AH2018-001, subject to conditions of approval, including staff's recommended revisions regarding the mitigation monitoring and reporting program and the facts and findings, setting park hours to 8:00 a.m. to 8:00 p.m., and an amendment to Condition of Approval Number 14 to reflect access to restrooms during regular business hours.

AYES: Weigand, Lowrey, Ellmore, Koetting
 NOES: None
 ABSTAIN: None
 ABSENT: Zak, Kleiman, Kramer

ITEM NO. 3 LCP AMENDMENT BALBOA VILLAGE PARKING OVERLAY (PA2017-046)
Site Location: All properties in Balboa Village on the Balboa Peninsula between Adams Street and A Street

Summary:

An amendment to Section 21.28.030 of the City of Newport certified Local Coastal Program (LCP) Implementation Plan to add new Subsection 21.28.030.E incorporating the Balboa Village Parking Management Overlay District (PM-1). The PM-1 District identifies existing and planned parking facilities and establishes parking programs to adequately serve the parking needs for Balboa Village. Additionally, the PM-1 District establishes modified parking requirements for properties that differ from the basic requirements of Chapter 21.40 of the certified LCP Implementation Plan. District PM-1 applies to all properties located within Balboa Village between the Pacific Ocean, A Street, Newport Bay, and Adams Street. The amendment includes adding the "PM-1" overlay designator to the Coastal Zoning Map and Map PM-1 to Chapter 21.80 (Maps).

Recommended Action:

1. Conduct a public hearing;
2. Find the action statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15265(a)(1) of the California Code of Regulations, Title 14, and Chapter 3 of the Coastal Act, Section 15265(a)(1), which exempts local governments from the requirements of preparing an environmental impact report or otherwise complying with CEQA in connection with the adoption of a Local Coastal Program; and
3. Adopt Resolution No. PC2019-006: *A Resolution of the Planning Commission of the City of Newport Beach Recommending to the City Council of the City of Newport Beach Submittal of Local Coastal Program Amendment No. LC2017-001 to the California Coastal Commission.*

Program Manager Patrick Alford reported after extensive public outreach, the City Council adopted the Balboa Village Parking Management Overlay District (Overlay District). The Overlay District eliminates off-street parking requirements for most commercial uses, requires the maintenance of existing off-street parking facilities, and allows the shared use of parking facilities. The original Local Coastal Program (LCP) included the Overlay District. However, the California Coastal Commission removed the entire Overlay District from the LCP prior to certification and requested additional information. The City Council adopted the LCP as modified by the Coastal Commission. Staff now proposes an LCP amendment that will modify the Overlay District. Staff issued a Notice of Availability of the amendment to affected agencies and interested persons.

Program Manager Alford went on to indicate that pursuant to the proposed amendment, a Coastal Development Permit (CDP) will implement the Balboa Village Parking Management District Plan (District Plan). Codifying the information requested by the Coastal Commission in the Zoning Code or the LCP Implementation Plan is not appropriate; therefore, staff feels a CDP is the best vehicle to provide the Coastal Commission with the requested information. A CDP is subject to Council approval and appeal to the Coastal Commission. The certified LCP recognizes the traditional storefront character and pedestrian orientation of Balboa Village. Additional parking facilities in Balboa Village could be disruptive to the character of Balboa Village. Staff identified the user groups in the area and recognized the need to address the parking needs of visitors to the beach, Balboa Pier, and area parks. The amendment will allow the implementation of parking restrictions such as time of use, duration, and pricing to optimize the use of existing parking spaces. A wayfinding program implemented through the CDP will direct visitors to parking facilities, pedestrian and bike paths, the ferry, and key destination points. The CDP can address the use of alternative transportation such as the Balboa Island Ferry, bicycles, the Balboa Peninsula Trolley, and rideshare programs. If necessary, Title 20 can be amended subsequent to Coastal Commission review of the proposed LCP amendment. Staff has provided an amended resolution, which incorporates the revisions Jim Mosher suggested.

Commissioners disclosed no ex parte communications regarding this item.

In reply to Commissioner Koetting's question, Program Manager Alford explained that zoning ends at the bulkhead line, so that the graphic shows the Overlay District extending into the water.

Vice Chair Weigand opened the public hearing.

Jim Mosher suggested Section 2, paragraph 1 of the proposed resolution reference Exhibit A. The Coastal Commission will likely want to review a draft District Plan. He inquired whether the Council has adopted a District Plan or staff has drafted a District Plan.

Gaya Wilner [phonetic], 209 Cypress, remarked that the District Plan should consider parking across Balboa Island. If the commercial areas do not provide off-street parking, the adjacent residential areas will be affected.

Homer Oatman, Newport Beach resident, asked if the existing parking requirements for mixed-use development will remain. The intent appears to be to encourage development in the area, but the existing parking requirements for commercial uses are difficult to meet in the area.

Vice Chair Weigand closed the public hearing.

Program Manager Alford explained that the District Plan approved by the Council will be augmented to address the Coastal Commission's concerns. The new District Plan will be implemented through a CDP. Because a CDP has to be consistent with the certified LCP, it will guarantee the attributes contained in the LCP. A proposed residential preferential parking district in the area was not adopted or implemented. A mixed-use project will not have to provide parking for the commercial component of the project unless it contains one of the excepted uses.

Motion made by Secretary Lowrey and seconded by Commissioner Ellmore to find the action statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15265(a)(1) of the California Code of Regulations, Title 14, and Chapter 3 of the Coastal Act, Section 15265(a)(1); and Adopt Resolution No. PC2019-006: *A Resolution of the Planning Commission of the City of Newport Beach Recommending to the City Council of the City of Newport Beach Submittal of Local Coastal Program Amendment No. LC2017-001 to the California Coastal Commission.*

AYES: Weigand, Lowrey, Ellmore, Koetting
NOES: None
ABSTAIN: None
ABSENT: Zak, Kleiman, Kramer

VIII. STAFF AND COMMISSIONER ITEMS

ITEM NO. 4 MOTION FOR RECONSIDERATION

None

ITEM NO. 5 REPORT BY THE COMMUNITY DEVELOPMENT DIRECTOR OR REQUEST FOR MATTERS WHICH A PLANNING COMMISSION MEMBER WOULD LIKE PLACED ON A FUTURE AGENDA.

Community Development Director Jurjis reported the General Plan Update process has begun. The City Council has confirmed Steering Committee members, and the Steering Committee's first meeting the previous night was well attended. Currently, Phase I concerns the Request for Proposal (RFP) process. The Steering Committee's next meeting will be March 6. On February 26, the City Council will consider expanding the Steering Committee from five to seven members. In addition, staff will propose an ordinance that addresses the impacts of construction on residential street parking. The Planning Commission's next meeting is scheduled for March 7.

In response to Commissioners' questions, Community Development Director Jurjis advised that the project for Mesa Drive Townhomes is scheduled for March 21, and the applicant is not ready for an earlier hearing date. The Planning Commission's March 21 meeting may be cancelled. Persons interested in the Steering Committee submitted an application. A Council subcommittee reviewed the applications and made a recommendation to the City Council. If the Council chooses to expand the Steering Committee, the City Clerk's Office will accept additional applications. The Council will hear an appeal of the E Art Gallery project. The Council approved the senior project by a vote of 5-1.

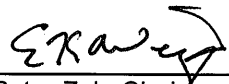
Commissioner Koetting remarked that the City Manager gave a great presentation to Wake Up Newport, and brochures of Public Works' projects are available at City Hall.

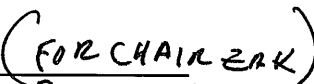
ITEM NO. 6 REQUESTS FOR EXCUSED ABSENCES

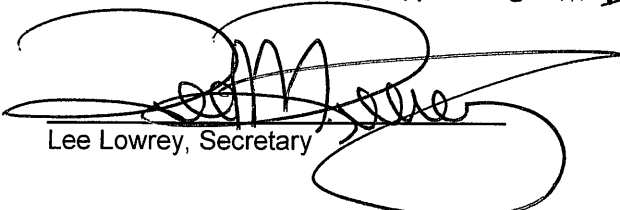
None

IX. **ADJOURNMENT** – 8:48 p.m.

The agenda for the February 21, 2019, Planning Commission meeting was posted on Friday, February 15, 2019, at 3:50 p.m. in the Chambers binder, on the digital display board located inside the vestibule of the Council Chambers at 100 Civic Center Drive, and on the City's website on Friday, February 15, 2019, at 3:25 p.m.


Peter Zak, Chairman

 (FOR CHAIR ZAK)
ERIK WEIGAND


Lee Lowrey, Secretary